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CACFP-352

Funding for Child and Adult Care Food Program (CACFP) Expansion to Low-Income and Rural Areas

STATE AGENCY DIRECTORS
(Special Nutrition Programs)

- Colorado DH, Iowa, Kansas, Missouri DH,
Montana DHES, Nebraska ED, North Dakota,
South Dakota, Utah and Wyoming ED

Public Law 101-147 provided for ~~additional administrative payments to sponsoring organizations wishing to expand into rural and low-income areas~~. Policy Memorandums CACFP-257 issued on September 23, 1991 and CACFP-287 issued on March 11, 1992 relating to this provision stated that the availability of the expansion funding was on a "one-time" basis only. This was based on the assumption that Regulations implementing this provision would be promulgated before sponsors had an opportunity to apply for expansion funds a second time. The proposed rule implementing this provision, which is currently in clearance, under certain circumstances allows sponsoring organizations to receive expansion funds more than once.

Since the clearance of the proposed regulation has experienced significant delays, we are authorizing State agencies to provide expansion funds to ~~sponsoring organizations more than once through this policy memorandum~~. We anticipate that most sponsoring organizations will be approved for expansion payments only once. However, if a sponsoring organization has satisfactorily expanded into the areas for which the expansion fund application was originally made, it may apply for further expansion payments for expansion into other low-income and rural areas. This application must justify the need for further expansion and may be approved by the State only with the concurrence of the FNS Regional Office. A period of 12 months must elapse since the expiration of the time allotted to the sponsoring organization under its original expansion agreement with the State agency before the sponsoring organization can apply for additional expansion funds.

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As is our practice when a provision is implemented through a policy memorandum, we must advise that the regulation now in clearance may be changed during the clearance process. Therefore, States must be prepared to make modifications in the implementation of this provision should the policies in the final regulation differ from those in this memorandum.

If you have any questions concerning this issue, please contact my staff at (303) 844-0359.

Original Signed by
Ann C. Hector

ANN C. HECTOR
Regional Director
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bcc: All CACFP/SFSP Section Staff
Schools Section